Response of Wisconsin Power and Light Company and Wisconsin Electric Power Company

The Public Service Commission of Wisconsin Data Request No. 6.02

Docket Number: 05-CE-137
Date of Request: August 27, 2009
Information Requested By: Jim Lepinski

Date Responded: September 14, 2009

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Provide a detailed, updated cost estimate for the project.

Response:

The cost estimate for the proposed project was developed in January 2008. In the intervening 19 months (as of this writing in August 2009), steel prices have decreased 5-8%, construction labor has increased about 2%, equipment has increased about 1%, while other commodities (concrete, pipe, electrical, instrumentation, etc.) are not materially different in cost today. WPL and its engineering consultant forecast that the net result of these market fluctuations would likely be offsetting and would consider this estimate to still be valid as of the date of this response..

According to URS – Washington Division representatives, the development of a detailed, updated cost estimate for the project could take several weeks, cost several thousands of dollars, and would likely not provide information that would be materially different from the January 2008 cost estimate.

At this time, the Applicants do not believe the price for the proposed project falls outside of the accuracy range of the original estimate (-5%/+15%).